JESSIE TAN GEK NEO

v.

THE MINISTER FOR FINANCE & ANOR.

HIGH COURT, SINGAPORE
LP THEAN J
[ORIGINATING MOTION NO. 142 OF 1987]
3 JANUARY 1990

CIVIL PROCEDURE: *Originating motion for leave for certiorari - Whether need fresh originating motion for actual hearing - Defect or irregularity - Rules of Supreme Court [Sing], O. 53 r. 3*

TRADEMARKS: *Registration of business name - Whether resembles name of another corporation - Objective test - Registrar to be 'so satisfied' - Name not used locally by proprietor - Non renewal of registration - Whether trade marks were used - Calculated to mislead - No evidence of logo being identical - Riding on the reputation - Proprietor has no reputation or goodwill in Singapore.*

In 1979, the applicant J, after obtaining approval of the name "JC Penney Collections" (the said name) registered her business with the Registry of Businesses (RB) under the said name and commenced trading in clothing apparel. At the time of J's registration of the business, there were registered with the Registry of Trade Marks (RTM), two trade marks under the name "Penneys"; one was in class 25 and the other in class 28. The proprietor of both trademarks is JC Penney Company Inc. (the said company), a company incorporated in Delaware, USA. However, these trade marks were not in use by the proprietor in Singapore as at the date of registration of J's business.

In 1982, the RB queried from J if she had the said company's consent to use the said name; J replied that at the time of registration of her business, there was no legal requirement for her to obtain the consent of the said company. There was a further exchange of letters between the parties ending with a letter by J's solicitors advising RB that J had decided not to change her business name and that s. 11 of the Business Registration Act (the Act) was inapplicable.

After two years, in 1985, the RB informed J that the name of her business incorporates the registered trade mark of M/s. JC Penney Purchasing Corporation, USA and directed J to change her name. J replied that none of her goods infringed the 'Penney' trade mark as none of her goods carried the 'Penney' label. Once again, the RB did not take any action until 13 October 1986 whereby the RB directed J to change her business name, failing which her registration would be cancelled; enclosed was a direction in the relevant terms.

J's appeal to the Minister under s. 11 of the Act was dismissed in October 1987 with no reasons given. In December 1987, J then applied by way of originating motion for leave to apply for an order of *certiorari* to quash the decision of RB on 13 October 1986 and the Minister's dismissal of her appeal on 9 October 1987; leave was granted.

The respondents raised a preliminary objection in that J had not filed a fresh originating motion as required under O. 53 rr. 2 and 3 of the Rules of the Supreme Court.

The question for determination is whether the RB was justified in arriving at its decision under s. 11(b) of the Act.

Held:

[1] The preliminary objection was a purely technical one which has no merit. In exercise of the Court's discretion the defect or irregularity was waived and the notice of motion was treated as an originating motion. As the papers required to be served under O. 53 r. 3 had been served under O. 53 r. 1(3), service of the papers under r. 3 was dispensed with.

[2] The question whether the Registrar was satisfied as to the state of things prescribed by s. 11 of the Act before she issued the direction does not turn on what was said in the recital of the direction; whether what was said there was the opinion or the satisfaction of the Registrar is immaterial. What is material is whether the Registrar, in fact, was so satisfied before she issued the direction. The determination of this question does not depend purely on the subjective satisfaction of the Registrar; the test applicable here is an objective one.

[3] (a) These trade marks were at all material times not used in Singapore by the proprietor or any of its associated or related companies in respect of their goods.

(b) The registration of these trade marks had expired in 1983 and they were not renewed.

(c) J did not at any time use, and up to this date has not used "JC Penney" or "Penneys" as a trade mark for any of the goods traded or sold by her.

(d) If, however, she did use both or either of the trade marks in relation to her goods after September 1983, it seems that the said company as the proprietor of the trade marks could not maintain an action against her for infringement of trade marks.

(e) Nor could the proprietor of these trade marks maintain an action against J for passing-off, as the trade marks had not been used here and the proprietor had not acquired any reputation in relation thereto.

(f) Therefore, to direct J to change her business name on the basis that it so nearly resembles the name of the proprietor of these two trade marks, in effect, gives to the proprietor more than what the laws on infringement of trade mark and passing-off would provide.

[4] (a) It is not mere resemblance of names that is material for the purpose of s. 11(b) of the Act; it is resemblance of names so as to be calculated to mislead.

(b) The material fact is that the American corporation had at all material times never used both or either of the trade marks here, and members of the public could not have any actual knowledge of them.

(c) On the basis of these facts it cannot be maintained that the name, JC Penney Collections, used by J in her business so nearly resembles the name of the American corporation as to be calculated to mislead members of the public into thinking that the business of the applicant is associated with the owner of the trade marks.

[5] In relation to the allegation of similarity of logo the lawyers of the said company have not shown precisely what the logo and colours of the logo used by the American corporation are and what the logo and the colours of the logo adopted by J was.

[6] (a) It cannot be maintained that J in registering her business under the name JC Penney Collections and carrying on the business under that name has the ulterior motive of "riding on the reputation" of the American corporation.

(b) There is no property in a name as such, and the American Corporation cannot claim that the name "Penney" or "Penneys" is exclusively theirs throughout the world.

[Application allowed.]

Cases referred to:
Chng Suan Tze v. The Minister of Home Affairs & Ors. [1989] 1 MLJ 69
Inland Revenue Commissioners v. Muller & Co.'s Margarine Ltd. [1901] AC 217
J.C. Penney Company, Inc. & Anor. v. Penneys Ltd. & Anor. [1975] HKLR 598
Star Industrial Company Ltd. v. Yap Kwee Kor trading as New Star Industrial Company [1976] 1 MLJ 149

Legislation referred to:
Business Registration Act 1973 [Sing], s. 11(b)
Rules of the Supreme Court [Sing], O. 53 rr. 1(3), 2, 3

For the applicant - N.S. Kang
For the respondents - Jeffrey Chan

JUDGMENT

LP Thean J:

This is an application by Jessie Tan Gek Neo, the abovenamed applicant (the applicant), for an order of *certiorari* to quash: (i) the decision of the Registrar of Businesses (the Registrar) made on 13 October 1986 pursuant to s. 11 of the Business Registration Act directing the applicant to change the name of her business "JC Penney Collections" to one which does not use the word "JC Penney" or "Penneys", and (ii) the decision of the Minister made on 9 October 1987 also pursuant to s. 11 of the Act dismissing the applicant's appeal against the decision of the Registrar.

The facts that gave rise to the present application are as follows. On 2 July 1979 the applicant submitted an application to the Registrar for approval of a business name under which she intended to carry on her business. In the application, four names were submitted, namely: "JCB Collections", "Designs Corner", "The House of Fashions" and "JL's Collections". However, none of the names were available to her, and she then submitted a fresh application giving another four names for approval, namely: "Leo Collections", "JC Penney Collections", "Hishers Collections" and "Manego's Collections". She was then requested to call at the Registry of Businesses to discuss the application, which she did on 17 July 1979. Arising out of the discussion, she submitted a fresh application on 20 July 1979 for approval of the name "JC Penney Collections", which approval was granted. Following that, she registered her business under the name "JC Penney Collections" on or about that date, and since then she has been carrying on her business of trading in, among other things, shirts, trousers, jackets and T-shirts under that name. At the date of the decision of the Registrar she had, and as of now she also has, two shops in two different shopping areas - she claims that they are prime shopping areas - in Singapore.

At the time of the registration of the business of the applicant, there were registered with the Registry of Trade Marks, Singapore, two trademarks, each under the name "Penneys": one was in Class 25 in respect of the following goods: namely, sleep wear, underwear, sweaters, shirts, jeans, skirts, swim wear, raincoats, suits, coats, T-shirts, jackets, dresses, pajamas and slippers; and the other in Class 28 in respect of toys. The proprietor of both the trademarks is JC Penney Company, Inc., a company incorporated in the State of Delaware, the United States of America (the American Corporation). Though the trademark were registered as from 9 January 1976, they were not in use by the proprietor in Singapore at the date of the registration of the applicant's business. Nor, it appears, have they been used

subsequently by the proprietor. Even as late as March 1985, Mr. Joseph Yung, the general manager of JC Penney Purchasing Corporation (incorporated in the State of New York) - presumably an associated or related company of the American Corporation - said that the trademarks were not in use here. He said:

> Although we have the JC Penney Trademark registered for clothing in Singapore but we are not using the name for retail services over here. We have been a potential major importer of Singapore - manufactured merchandise for many years.

There is no evidence, and it has not been alleged in any way by or on behalf of the respondents, that the applicant was at that time of the registration of her business aware of the existence of these two registered trademarks. Nonetheless the applicant had constructive notice of these trademarks; if she had made a search at the Registry of Trade Marks she would have found out their existence.

About 3 years later, on 28 December 1982, the applicant received a letter from the Registrar which stated, *inter alia*, the following:

> 2. I am now informed that the above business name (JC Penney Collections) is in fact the name of JC Penney Company, Inc. of 1301 Avenue of the Americas, New York, New York 10019, USA. The word "Penneys" is also the registered trade marks of the above American company in respect of two classes of trade marks in the Registry of Trade Marks and Patents in Singapore.
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> 3. Please let me know whether you have the consent of JC Penney Company Inc., to the use of the above business name within 21 days from the date hereof.

In response, the applicant's solicitors, Messrs. Boswell, Hsieh and Lim, wrote to the Registrar, stating that she had not infringed the two trademarks; that at the time of registration, of her business there was no legal requirement that she must obtain the consent of the American Corporation, and that consequently no such consent was obtained. Following this letter there were further letters in exchange between the Registrar and the solicitors ending with a letter from the latter dated 18 May 1983 which said, *inter alia*, that the applicant had decided not to change her business name and that s. 11 of the Business Registration Act relied upon by the Registrar did not apply. The matter then fell into abeyance for about 2 years until 4 May 1985, when the Registrar again wrote to the applicant as follows:

> 1. I refer to the above business which was registered on 18 July 1979.
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> 2. I am now informed that the name of your business in fact incorporates the registered trademark of M/s. JC Penney Purchasing Corporation of the USA. Further, I understand that you do not have the consent of the M/s. JC Penney Purchasing Corporation for the use of their trademark.
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> 3. I am therefore inclined to invoke s. 11 of the Business Registration Act 1973, and direct a change of name.
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> 4. Please let me know within 21 days from the date hereof why I should not pursue such a course of action.

The applicant's solicitors, Messrs. Boswell, Hsieh & Lim, replied to the Registrar stating that the applicant had been in active business for the past six years, had established tremendous goodwill in her line of business and expended large sums of money therein, and further that the applicant had not in any time infringed the "Penney" trademark, as none of her goods carried the "Penney" label. No action, however, was taken by the Registrar until about 1½ years later. On 13 October 1986, the Registrar wrote to the applicant as follows:

> It has been brought to your attention that the above business name resembles the name of "JC Penney Company Inc.", an American company incorporated in the US conducting similar business activities. JC Penney Company Inc., is the owner of registered trade marks "JC Penney" or "Penneys" in approximately 50 countries. You have indicated through M/s. Boswell, Hsieh & Lim that no consent has been obtained from JC Penney Company Inc., for using the words "JC Penney". Sufficient time has been given to you for arrangement to be made to change your business name but we regret that you have not done so.
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> 2. In the circumstances, we direct you to change the name of your business to one which does not use the word "JC Penney". Our direction made under s. 11 of the Business Registration Act (36 of 1973) is hereby served on you in accordance with s. 31 of the Act. Please note that unless you change the name within six weeks from the date of this letter, your registration of the abovenamed business will be cancelled.

Enclosed in that letter was a written direction expressed to be issued under s. 11 of the Business Registration Act, and it is necessary to set out the text of the direction in full, which is as follows:

> Whereas in the opinion of the Registrar, the name "JC Penney Collections" registered as a name of a business by Tan Gek Neo Jessie holder of NRIC No. 0203532D so nearly resembles the name of another corporation which owns "JC Penney" or "Penneys" as trade marks as to be calculated to mislead.
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> Direction is hereby given to the said Tan Gek Neo Jessie to change the name of "JC Penney Collections" to one which does not use the word "JC Penney" or "Penneys" within six weeks from the date of this direction.

It is relevant to mention that as of that date, the applicant had been conducting her business under the name JC Penney Collections for slightly more than 7 years. Not unexpectedly, the applicant felt aggrieved by the Registrar's decision. Pursuant to s. 11 of the Business Registration Act she appealed to the Minister against the decision of the Registrar. However, the appeal was dismissed; no reason was given for the dismissal of the appeal. On 9 October 1987 the applicant was informed accordingly and was given seven days to change the name to one which is acceptable to the Registrar. Subsequently, however, extension of time was given by the Registrar.

On 7 December 1987, the applicant applied by way of originating motion for leave to apply for an order of *certiorari* to quash the decisions of the Registrar and the Minister. Leave was granted, and subsequently this application was brought. The application first came on for hearing on a motion day and was adjourned to a date to be fixed for hearing, as the arguments involved would be lengthy. Thereafter, the matter for some inexplicable reason remained dormant for more than two years before it came on for hearing. None of the parties took any step to cause or procure the application to be fixed or set down for hearing earlier.

At the commencement of the hearing, Mr. Chan on behalf of the respondents made a preliminary objection. He submitted that the matter before me was the Originating Motion No. 142 of 1987, the application for leave, and that motion had been disposed of in that leave had been granted. The applicant, however, had not filed a fresh originating motion but merely filed an interlocutory notice of motion, which is the present application, in the Originating Motion No. 142 of 1987. Under O. 53 r. 2 of the Rules of Supreme Court, where leave has been granted, the applicant is required to file an originating motion applying for an order of *certiorari* and under r. 3 the originating motion and other papers are required to be served on the respondents. The requirements of both these rules had not been complied with by the applicant. That, in Mr. Chan's submission, was a substantial non-compliance which was fatal to the application now before me.

In response, Mr. Hang contended that the notice of motion before me is a fresh motion, though it carries the same number as the originating motion applying for leave, which had been dealt with. There was no substantive difference between the notice of motion and a fresh originating motion. The difference was only one of form. Admittedly, there was an error or a defect in that respect, but that error or defect had not prejudiced the respondent and would not prejudice them in any way, and it was not incurable. In any event, the notice of motion was filed on 5 January 1988, and at the time when it first came on for hearing in January 1988 no such objection was raised by or on behalf of the respondent. The stand then taken by them was to contest the application on the merits. The notice of motion was then adjourned to a date to be fixed for hearing, and the Registrar had since then filed a further affidavit seeking to contest the notice of motion on the merits. More than 2 years had elapsed, and no objection had been taken by the respondents until the date of hearing. Therefore, assuming that there was any irregularity, it had been waived by or on behalf of the respondents.

I considered the objection as a purely technical one, and, in my opinion, it has no merit. In exercise of my discretion I waived the defect or irregularity and proposed to treat the notice of motion as an originating motion. As the papers required to be served under O. 53 r. 3 had been served under O. 53 r. 1(3), I dispensed with service of the papers under r. 3, and proceeded to hear arguments on the merits.

The decisions of the Registrar and the Minister which the applicant seeks to impugn were made under s. 11 of the Business Registration Act (the Act), and it is convenient at this stage to set out in full the provision of this section which is as follows:

> 11. Where the Registrar is satisfied that any person registered under this Act carries on business, or any person applying for registration under this Act intends to carry on business, under a name which:
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> (a) is identical to that of any other corporation or the name under which another person carries on business;
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> (b) so nearly resembles the name of any corporation or the name under which another person carries on business as to be calculated to mislead, except where such other corporation is in the course of being dissolved or wound up or such other person signifies its or his consent in such manner as the Registrar may require; or
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> (c) is, in the opinion of the Registrar, undesirable or is a name of a kind which the Minister has directed the Registrar not to accept for registration,
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> the Registrar may cancel his registration or refuse to register him, as the case may be, unless he changes the name within 6 weeks from the date the Registrar requested him to do so; and any person aggrieved by a decision of the Registrar may appeal to the Minister whose decision shall be final.

There are three limbs in this section on the basis of which the Registrar may act and issue her direction accordingly. In this case, neither the limb in para. (a) nor the limb in para. (c) applies, as it is not under either of the two paragraphs that the Registrar issued her direction. It is the limb in s. 11(b) which is relevant, and the question is whether the Registrar was justified in arriving at her decision which she did under para. (b) of that section.

The Minister in dismissing the appeal against the decision of the Registrar gave no reason; I can only assume that he adopted the reasoning and findings of the Registrar and on those grounds affirmed her decision. It therefore follows that what I am about to decide with reference to the Registrar's decision would equally apply to the Minister's decision, and I need not deal separately with his decision.

Mr. Kang challenges the decision of the Registrar on two grounds. First, he submits that the Registrar has not satisfied herself that the name under which the applicant carries on her business so nearly resembles the name of the American Corporation as to be calculated to mislead. Nowhere has the Registrar shown that she was so satisfied. In particular, in issuing the direction under s. 11 of the Act, she merely expressed the opinion that the name "JC Penney Collections" so nearly resembles the name of another corporation which owns "JC Penney" or "Penneys" as trademarks as to be calculated to mislead. That, in his submission, is not the criterion required under s. 11 on the basis of which the Registrar is to exercise her discretion and issue the appropriate direction. Accordingly, in his submission, the Registrar has not so satisfied herself as she is required so to do under that section before she issued the direction.

Mr. Chan concedes that the word "satisfied" is crucial in the operation of s. 11 of the Act, and that in the direction she issued the Registrar has used the words "in the opinion of the Registrar" instead of the words "the Registrar is satisfied". That, he submits, is merely a matter of semantics; the expression "in the opinion is synonymous with "is satisfied". The Registrar's satisfaction is implicit in the opinion she expressed. At any rate, it is not mandatory or necessary that the Registrar should express in the direction her opinion or satisfaction, and the recital (where the Registrar expressed her opinion) contained in the direction is a surplusage. So long as she is satisfied as to the state of things prescribed in that section she is entitled to issue the direction. In this case, the Registrar, in fact, was satisfied that the name JC Penney Collections so nearly resembles the name of the American Corporation as to be calculated to mislead.

It seems to me that the question whether the Registrar was satisfied as to the state of things prescribed by s. 11 of the Act before she issued the direction does not turn on what was said in the recital of the direction; whether what was said there was the opinion or the satisfaction of the Registrar is immaterial. What is material is whether the Registrar, in fact, was so satisfied before she issued the direction. That is the question before me. The determination of this question does not depend purely on the subjective satisfaction of the Registrar; the test applicable here is an objective one: see *Chng Suan Tze v. The Minister of Home Affairs and Ors.* [1989] 1 MLJ 69.

To that question I now turn, and the issue is whether the Registrar had before her any evidence on the basis of which it could reasonably be said that she was satisfied that the name, JC Penney Collections, so nearly resembles that of the American Corporation as to be calculated to mislead. One of the material facts she relied on heavily is clearly the existence of the two trademarks, "Penneys", registered with the Registry of Trade Marks. (In her direction, she referred to them as "JC Penney" and "Penneys". However, this error is not material and nothing turns on it.) Specific references were made by her to these trademarks in her letters of 28 December 1982, 4 May 1985 and 13 October 1986 and also in her direction of 13 October 1986. However, there were certain salient facts in relation to the trademarks which had not been specifically brought to her attention, and she had not considered them. First, these trademarks were at all material times not used in Singapore by the proprietor or any of its associated or related companies in respect of their goods. Secondly, the registration of these trademarks had expired in 1983 and it did not appear that they had been renewed. Certainly there was no evidence that they had been renewed by October 1986. Mr. Kang in his written skeletal argument stated that the trademarks expired on 12 September 1983 and that fresh applications for registration of the trademarks were submitted in 1987. These facts were not disputed by or on behalf of the respondent. It is also not disputed that the applicant

did not at any time use, and up to this date has not used "JC Penney" or "Penneys" as a trade mark for any of the goods traded or sold by her. If, however, she did use both or either of the trademarks in relation to her goods after September 1983, it seems to me that the American Corporation as the proprietor of the trademarks could not maintain an action against her for infringement of trademarks. Nor could the proprietor of these trademarks maintain an action against her for passing-off, as the trademarks had not been used here and the proprietor had not acquired any reputation in relation thereto. It seems to me, therefore, that to direct the applicant to change her business name on the basis that it so nearly resembles the name of the proprietor of these two trademarks, in effect, gives to the proprietor more than what the laws on infringement of trademark and passing-off would provide.

It should also be noted that it is not mere resemblance of names that is material for the purpose of s. 11(b) of the Act; it is resemblance of names so as to be **calculated to mislead.** On this point, the material fact is that the American Corporation had at all material times never used both or either of the trademarks here, and members of the public could not have any actual knowledge of them. On the basis of these facts it cannot be maintained that the name, JC Penney Collections, used by the applicant in her business so nearly resembles the name of the American Corporation as to be **calculated to mislead** i.e., to mislead members of the public into thinking that the business of the applicant is associated with the owner of the trademarks.

There is no doubt that in arriving at her decision, the Registrar relied on information and matters supplied by Messrs. Donaldson & Burkinshaw and on allegations made by them on behalf of their clients. In her affidavit affirmed on 11 December 1987 she stated, *inter alia*, the following:

> 2. On or about 16 November 1982, Messrs Donaldson & Burkinshaw, Advocates & Solicitors wrote to the Registrar of Businesses on behalf of J.C. Penney Company, Inc., of 1301 Avenue of the Americas, New York, New York 10019, USA. The letter is exhibited hereto and marks "SSH1". On receipt of this letter, we conducted inquiries into the matter. In the course of the inquiries, we were supplied further information in Messrs Donaldson & Burkinshaw's letter dated 24 January 1983, JC Penney Purchasing Corporation's letter dated 25 March 1985, JC Penney Purchasing Corporation's letter dated 11 April 1985, Donaldson & Burkinshaw's letter dated 6 October 1986 marked "SSH2", "SSH3", "SSH4", "SSH5" and "SSH6" respectively.
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> 3. ...
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> 4. Having obtained all the relevant information from the said complainant and the said proprietor we considered the matter carefully, taking note of the factors set out hereinafter.
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> 5 JC Penney Company, Inc., was incorporated in the State of Delaware, USA (originally under the name of JC Penney Company) on 15 December 1924. It operates retail stores in USA and elsewhere. The name JC Penney Collections is very similar to the name of JC Penney Company Inc. It has been alleged that J.C. Penney Collections is capitalising on the reputation of JC Penney Company Inc. and deceiving or calculated to deceive the public that they are a branch of or somehow associated with JC. Penney Company Inc.
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> 6. JC Penney Company Inc., has registered "JC Penney" and "Penneys" in various countries, namely Argentina, Canada, Columbia, Costa Rica, Denmark, France, Hong Kong, Korea, Panama, Spain, Sri Lanka and UK, etc. The trademarks were also registered in Singapore before JC Penney Collections was registered.

That JC Penney Company Inc., operates retail stores in the United States of America and elsewhere; that JC Penney Company Inc., has registered its trademarks "JC Penney" and "Penneys" in numerous countries, and that these trademarks (or, more correctly, the two trademarks "Penneys") were also registered in Singapore are facts, and clearly on the material produced before the Registrar she was entitled to accept and rely on them. The allegation repeatedly made by Messrs Donaldson & Burkinshaw that "JC Penney Collections is capitalizing on the reputation of JC Penney Company Inc., and deceiving and calculated to deceive the public that they are a branch of or somehow associated with JC Penney Company Inc.", is purely an inference and not a fact, and Messrs. Donaldson & Burkinshaw has not, in my opinion; furnished any evidence to the Registrar to support that inference. I have the same observation for the following statements made by Messrs. Donaldson & Burkinshaw:

> Further, it is infuriating to note that every United States visitor to Singapore believes that the Singapore store is our clients. It is believed that the logo and colours (red blue and white) are identical and a deliberate attempt to mislead Americans and many foreigners and locals who have visited the United States.

This is clearly an exaggerated allegation which cannot be accepted without some evidence; as far as I can see, there is hardly any evidence. They have not even shown precisely what are the logo and colours of the logo used by the American Corporation and what also are the logo and the colours of the logo adopted by the applicant. On a careful review of the totality of the material before the Registrar, there is really no sufficient evidence which could reasonably satisfy the Registrar that JC Penney Collections so nearly resembles the name of the American Corporation as to be **calculated to mislead.**

On the same basis, the Registrar, with respect, erred in another finding. In paras. 8 and 9 of her affidavit which, in so far as relevant, are as follows:

> 8. Over the years, we have received numerous complaints from owners of trademarks and reputable companies that there have been unauthorised uses of their names/trade marks in Singapore for the registration of companies or businesses without their knowledge or consent. The phenomenon of registering famous names/trade marks of foreign corporations can be generally classified into 3 kinds:
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> (1) The unauthorised users have the ulterior motive of riding on the reputation of the foreign corporation/owner of trade marks.
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> An illustration of such problems was the rush of many "opportunists" in 1982 trying to cash in on the fast food craze and competing to outdo the owners of fast food chains and each other by rushing in applications for registration of "shell" business entities. I exhibit hereto a newspaper report in New Nation 18 August 1982 marked "SSH11".
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> 9. Based on the information obtained, we came to the conclusion that the case of JC Penney Collections fell within the first classification described in para. 8 above.

No valid criticism can be made on the test formulated by the Registrar in para. 8(1), and she was entitled to formulate such a test; but, with respect, I can find no evidence to support the conclusion she arrived at in para. 9. The American Corporation was not carrying on, and has not carried on, any business in Singapore; nor has it or its associated or related company used either of the trademarks here. It therefore has no reputation here in relation to its business, and it cannot be maintained that the applicant in registering her business under the name JC Penney Collections and carriying on the business under that name has the ulterior motive of "riding on the reputation" of the American Corporation. The information referred to in para. 9 on which the Registrar based her conclusion is, presumably, the information or

substantially the information furnished by Messrs Donaldson & Burkinshaw. In so far as such information consists of facts, it does support the conclusion reached in para. 9; in so far as such information consists of inferences, it has no probative value as there is no substratum of facts to found the inferences.

There is no question of the applicant "capitalising" or "riding on" the reputation of the American Corporation. As I have said, it has no reputation or goodwill in Singapore in relation to its business. On this point, it is relevant to quote the following passage from the judgment of Lord Diplock in *Star Industrial Company Ltd. v. Yap Kwee Kor trading as New Star Industrial Company* [1976] 1 MLJ 149 at p. 155:

> Goodwill, as the subject of proprietary rights, is incapable of subsisting by itself. It has no independent existence apart from the business to which it is attached. It is local in character and divisible; if the business is carried on in several countries a separate goodwill attaches to it in each. So when the business is abandoned in one country in which it has acquired a goodwill the goodwill in that country perishes with it although the business may continue to be carried on in other countries. (See: *Inland Revenue Commissioners v. Muller & Co.'s Margarine Ltd.* [1901] AC 217, per Lord Macnaghten at p. 224; per Lord Lindley at p. 235.)

It should be remembered also that there is no property in a name as such, and the American Corporation cannot claim that the name "Penney" or "Penneys" is exclusively theirs throughout the world. A cursory look at the Hong Kong case of *JC Penney Company, Inc. & Anor. v. Penneys Ltd. & Anor.* [1975] HKLR 598 reveals that there is yet another company, not in any way connected with the American corporation, which has the same or similar name, operating in Eire and the United Kingdom - certainly it was operating there at the material time when the dispute in that case arose.

For the reasons I have given, it is clear that the decision of the Registrar cannot stand and has to be quashed. The same applies to the Minister's decision dismissing the appeal from the Registrar's decision. It is not necessary for me to go on to consider the second ground on which the applicant seeks to impugn the direction of the Registrar; that turns on the true construction of the term "any corporation" in s. 11 of the Business Registration Act, i.e., whether "any corporation" includes a corporation incorporated abroad and not carrying on business in Singapore.

In the result, I allow this application. I make the order of *certiorari* as prayed for in the notice of motion. I also award costs to the applicant.

Also found at [1991] 1 CLJ 622